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## State of Vermont Public Service Board

## **MEMORANDUM**

To: Potential Vendors and Other Interested Persons

From: James Volz, Chairman

Re: Request for Proposals for Purchasing Agent and SPEED Facilitator

Date: April 29, 2010

PSB Rule 4.100 authorizes the Vermont Public Service Board ("Board") to designate one or more Purchasing Agents to manage the State of Vermont's responsibilities under the Public Utilities Regulatory Policies Act ("PURPA"). Board Rule 4.300 authorizes the Board to designate one or more SPEED Facilitators to manage the Sustainably Priced Energy Enterprise Development Program ("SPEED") established under 30 V.S.A. § 8005. The enclosed Request for Proposals ("RFP") solicits responses from parties interested in providing the services of Purchasing Agent and SPEED Facilitator. Because of the similarities between the responsibilities of the Purchasing Agent and SPEED Facilitator, and to increase the efficiency of the Board's contract management process, the Board is interested in finding one provider that can perform both functions.

The Purchasing Agent and SPEED Facilitator will be an independent contractor under contract to the Board. The Purchasing Agent will purchase electricity generated by approximately 20 Qualifying Facilities, allocate the electricity and the costs thereof to the Vermont retail electric utilities, and perform other specified duties. In addition to the routine administrative tasks associated with the purchase of power generated by Qualifying Facilities, the Purchasing Agent is charged with resolving problems relating to existing contracts, and evaluating and acting upon opportunities to reduce the cost of current projects.

The SPEED Facilitator's duties are specified in Board Rule 4.300 and Section 8005. In general terms, the SPEED Facilitator will be responsible for promoting the development of SPEED resources by bringing together SPEED projects and Vermont utilities seeking to purchase power. In addition to the information clearinghouse function, the SPEED Facilitator may enter into contracts for the purchase of power from renewable resources, selling this power to the regional market, an out-of-state utility or (with the permission of the Board) to Vermont utilities on a pro-rata basis. Under Section 8005, the SPEED Facilitator is also responsible for administration of the standard-offer program under which the SPEED Facilitator purchases power from renewable energy resources which is then distributed to Vermont's distribution utilities on a pro-rata basis.



Proposals must be submitted to the Board in writing by 2 p.m. May 20, 2010. Other intermediate milestones are explained in the RFP.

Any person or organization is permitted to bid, although the contractor, its officers, employees, directors and any sub-contractors will be required to disclose any conflicts of interest. To bring forth the best possible proposals, I encourage you to respond or to share this RFP with any person or organization you believe may be interested in bidding.

In addition, any person or organization is welcome to review the bids (exempting information marked "Confidential" which will remain protected) at the Board's office between the hours of 9:00 A.M. and 4:00 P.M., any time after the public bid opening (which will be held at 2:00 P.M. on May 21, 2010). Bids also will be posted on the Board's website. Any person or organization, if so inclined, may provide comments to the Board. Comments must be received no later than May 28, 2010, and must be no more than two pages in length. Responses to comments must be received no later than June 4, 2010, and must be no more than two pages in length.